



**Department
of Health**

Medicaid
Redesign Team

Social Determinants of Health and Community Based Organizations Meeting

July 2015

Agenda

1. Team Introductions
2. Roles and Responsibilities
3. Introduction to Value Based Payments
4. 5 Key Areas of Social Determinants of Health (SDH)
5. What Others Have Done
6. Roadmap Questions



Team Introductions

Team Introductions

Co-chairs

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Now let us have our team members introduce themselves!

Roles and Responsibilities

VBP Subcommittees

How are the SCs relevant to VBP?

- **VBP subcommittees will play a crucial role** in terms of figuring out the VBP implementation details
- Each subcommittee will be comprised of stakeholders who have direct interest in, or knowledge of, the specific topics related to each respective subcommittee
- Each subcommittee will have co-chairs designated from the VBP Work Group. They will manage the SC work towards the development of a final Subcommittee Recommendation Report

We Differ from Other Subcommittees

- Some VBP subcommittees, such as Technical Design & Regulatory Impact, have specific, defined directives around implementation details that need to be addressed
- Our subcommittee is given less detail in the Roadmap, so we have a more flexible charge to raise the issues most important to Social Determinants of Health (SDH) and Community Based Organizations (CBO)
- We will make decisions to determine the path we take

Meeting Focus

How will we allocate our time?

- The SDH and CBO subcommittee will meet a total of **six** times
 - **Meetings 1-3** will focus on **SDH**
 - Selecting Social Determinants to address
 - Responding to Roadmap questions
 - Providing recommendations
 - **Meetings 4-6** will focus on **CBO**
 - Training needs and involvement
 - Responding to Roadmap questions
 - Providing recommendations

Meeting Schedule and Logistics

Meeting #	Confirmed Date	Time	Location
Meeting 1- SDH	7/30/2015	1:00-4:00pm	Albany - HANYS
Meeting 2 – SDH	8/19/2015	1:00-4:00pm	Albany School of Public Health – Massry Center
Meeting 3 - SDH	9/9/2015	1:00-4:00pm	NYC, TBD
Meeting 4 - CBO	10/15/2015	12:00pm-3:00pm	NYC, TBD
Meeting 5 - CBO	11/17/2015	1:00pm-4:00pm	Albany School of Public Health – Massry Center
Meeting 6 - CBO	12/16/2015	1:00pm-4:00pm	NYC, TBD

Introductions to Value Based Payments

NYS Medicaid in 2010: the crisis

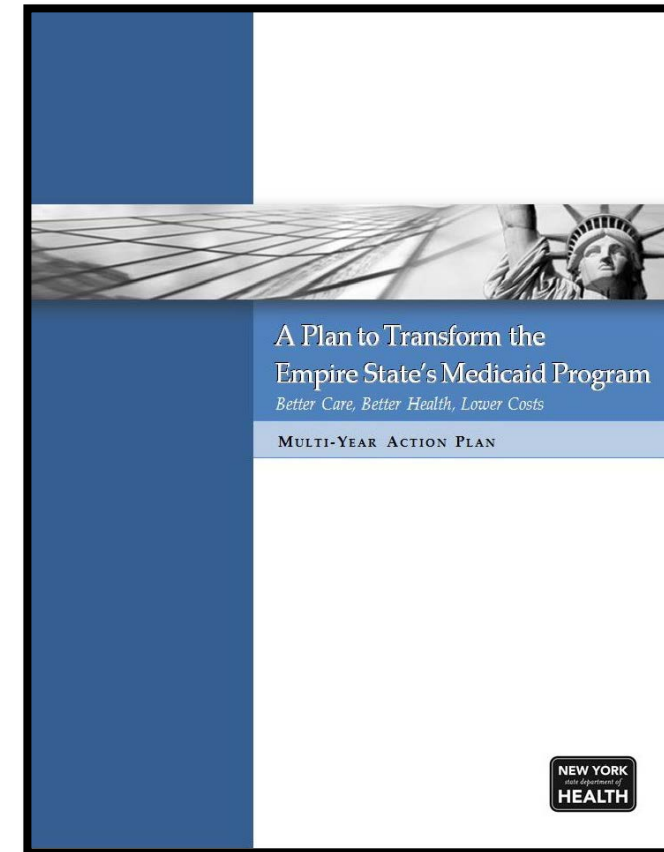
- Above 10% growth rate had become unsustainable, while quality outcomes were lagging
- Costs per recipient were double the national average
- NY ranked 50th in country for avoidable hospital use
- 21st for overall Health System Quality

2009 Commonwealth State Scorecard on Health System Performance

<u>CARE MEASURE</u>	<u>NATIONAL RANKING</u>
Avoidable Hospital Use and Cost	<u>50th</u>
✓ Percent home health patients with a hospital admission	49th 34th
✓ Percent nursing home residents with a hospital admission	35th
✓ Hospital admissions for pediatric asthma	40th
✓ Medicare ambulatory sensitive condition admissions	50th
✓ Medicare hospital length of stay	

Creation of Medicaid Redesign Team – A Major Step Forward

- In 2011, Governor Cuomo created the *Medicaid Redesign Team (MRT)*.
 - Made up of 27 stakeholders representing every sector of healthcare delivery system
 - Developed a series of recommendations to lower immediate spending and propose reforms
 - Closely tied to implementation of Affordable Care Act (ACA) in NYS
 - The MRT developed a multi-year action plan. We are still implementing that plan today



The 2014 MRT Waiver Amendment Continues to further New York State's Goals

- Part of the MRT plan was to obtain a 1115 Waiver which would reinvest MRT generated federal savings back into New York's health care delivery system
- In April 2014, New York State and CMS finalized agreement Waiver Amendment
 - Allows the State to reinvest \$8 billion of \$17.1 billion in Federal savings generated by MRT reforms
 - \$6.4 billion is designated for **Delivery System Reform Incentive Payment Program (DSRIP)**
- The waiver will:
 - Transform the State's Health Care System
 - Bend the Medicaid Cost Curve
 - Assure Access to Quality Care for all Medicaid Members
 - Create a financial sustainable Safety Net infrastructure

Delivery Reform and Payment Reform: Two Sides of the Same Coin

- A thorough transformation of the delivery system can only become and remain successful when the payment system is transformed as well
- Many of NYS system's problems (fragmentation, high re-admission rates) are rooted in how the State pays for services
 - Fee For Service (FFS) pays for inputs rather than outcome; an avoidable readmission is rewarded more than a successful transition to integrated home care
 - Current payment systems do not adequately incentivize prevention, coordination, or integration

Financial and regulatory incentives drive...

a delivery system which realizes...

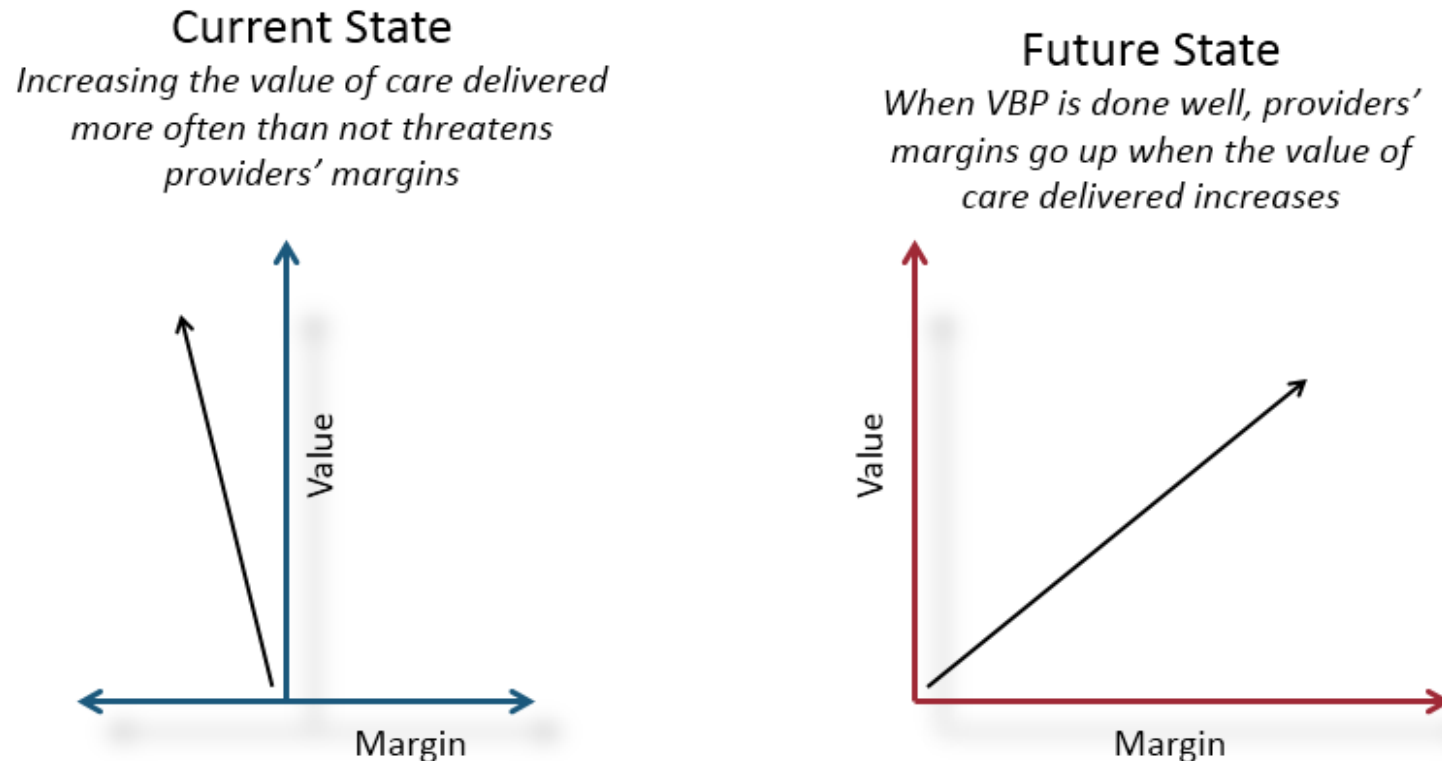
cost efficiency and quality outcomes: *value*

Payment Reform: Moving Towards Value Based Payments

- A Five-Year Roadmap outlining NYS' plan for Medicaid Payment Reform was required by the MRT Waiver
- By DSRIP Year 5 (2019), all Managed Care Organizations must employ non fee-for-service payment systems that reward value over volume for at least 80-90% of their provider payments (outlined in the *Special Terms and Conditions* of the waiver)
- The State and Center for Medicare and Medicaid Services (CMS) have thus committed itself to the Roadmap
- Core Stakeholders (providers, MCOs, unions, patient organizations) have actively collaborated in the creation of the Roadmap
- If Roadmap goals are *not* met, overall DSRIP dollars from CMS to NYS will be significantly reduced

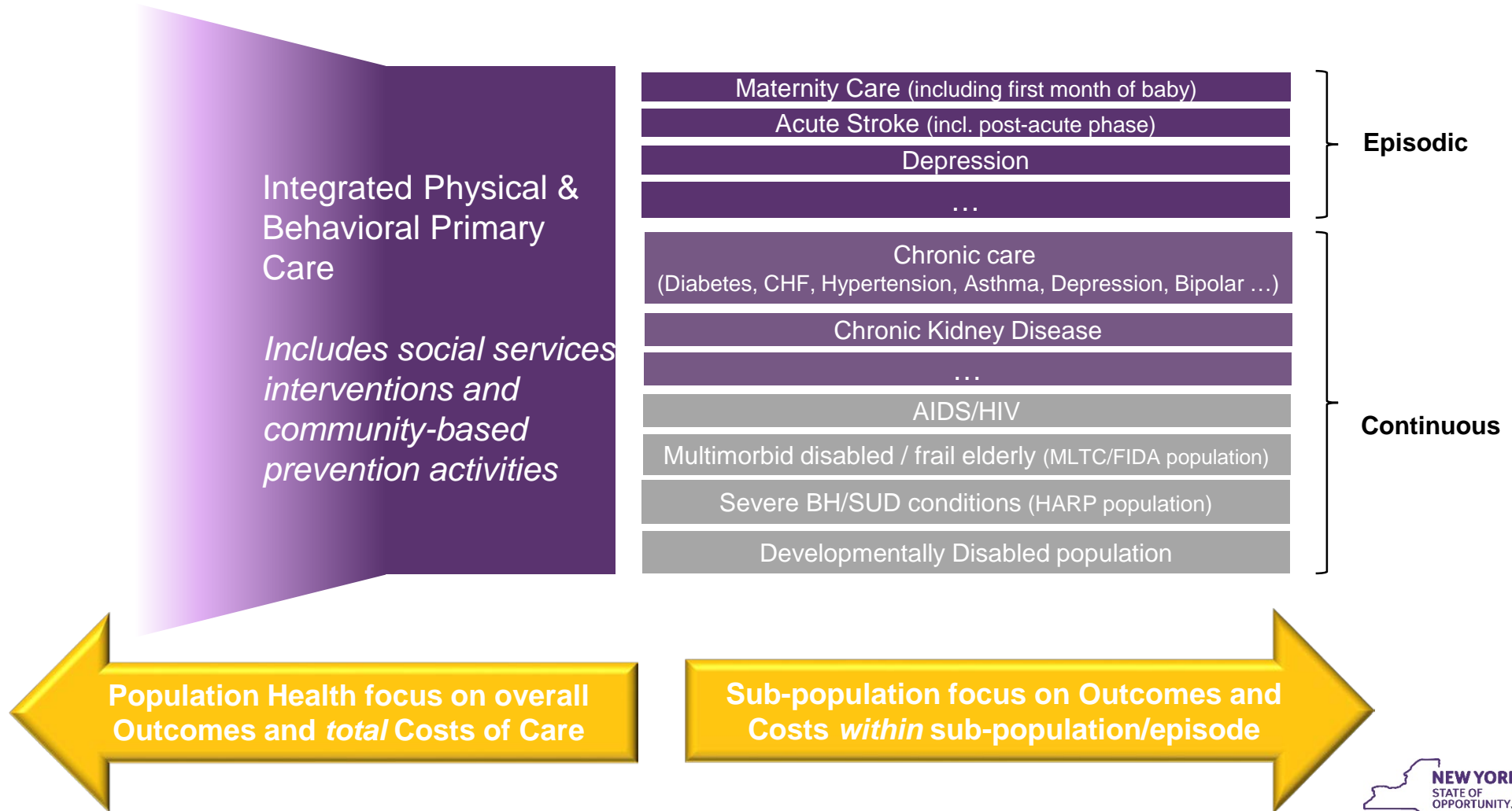
Learning from Earlier Attempts: VBP as the Path to a Stronger System

VBP arrangements are not intended primarily to save money for the State, but to *allow providers to increase their margins by realizing value*



Goal – Pay for Value not Volume

DSRIP Vision on How an Integrated Delivery System should Function

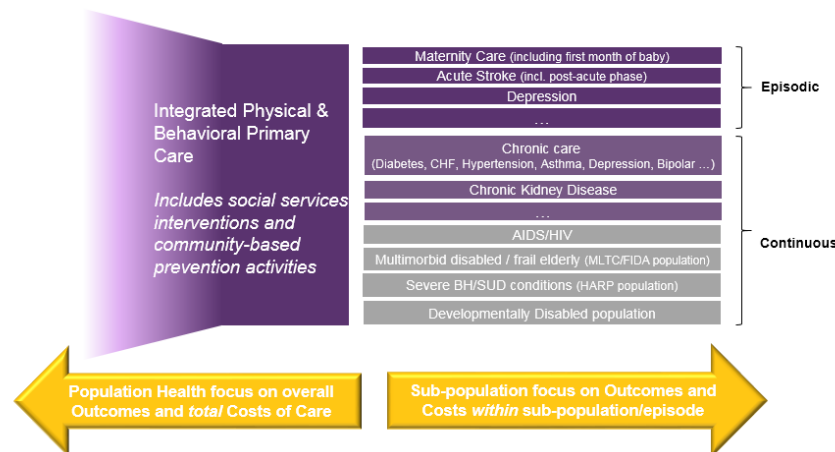


The Path towards Payment Reform: A Menu of Options

There is not one path towards Value Based Payments. Rather, there will be a variety of options that MCOs and PPSs/Providers can jointly choose from.

PPSs and MCOs can opt for different shared savings/risk arrangements (often building on already existing MCO/Provider initiatives):

- For the total care for the total attributed population of the PPS (or part thereof) – Accountable Care Organization (ACO) model
- Per integrated service for specific condition (acute or chronic bundle): maternity care; diabetes care
- For integrated Advanced Primary Care (APC)
- For the total care for a subpopulation: HIV/AIDS care; care for patients with severe behavioral health needs and comorbidities



MCOs and PPSs may choose to make shared savings arrangements for the latter types of services between MCOs and groups of providers within the PPS rather than between MCO and PPS

MCOs and PPSs can choose different levels of Value Based Payments

In addition to choosing *what integrated services* to focus on, the MCOs and PPSs can choose different levels of Value Based Payments:

Level 0 VBP	Level 1 VBP	Level 2 VBP	Level 3 VBP (only feasible after experience with Level 2; requires mature PPS)
FFS with bonus and/or withhold based on quality scores	FFS with upside-only shared savings available when outcome scores are sufficient (For PCMH/APC, FFS may be complemented with PMPM subsidy)	FFS with risk sharing (upside available when outcome scores are sufficient)	Prospective capitation PMPM or Bundle (with outcome-based component)

- Goal of $\geq 80-90\%$ of total MCO-provider payments (in terms of total dollars) to be captured in Level 1 VBPs at end of DY5
- Aim of $\geq 25\%$ of total costs captured in VBPs in Level 2 VBPs or higher

Key Defining Factors of the New York VBP Approach

- 1) Addressing all of the Medicaid program in a holistic, all-encompassing approach rather than a pilot or piecemeal plan
- 2) Leveraging the Managed Care Organizations (MCO) to deliver payment reforms
- 3) Addressing the need to change provider business models through positive financial incentives
- 4) Allowing maximum flexibility in the implementation while maintaining a robust, standardized framework
- 5) Maximum focus on transparency of costs and outcomes of care

Flexible, Yet Robust Approach

- State involvement focuses on standardization of VBP principles across payers & providers to reduce administrative complexity:
 - Standardizing definitions of bundles and subpopulations, including outcomes
 - Guidelines for shared savings/risk percentages and stop-loss
 - No rate setting, but providing benchmark data (including possible shared savings)

- Allowing flexibility:
 - Menu of options
 - MCO and providers can make own adaptations, as long as criteria for ‘Level 1’ or higher are met

- No haircut when entering VBP arrangements. To the contrary, the more dollars captured in higher level VBP arrangements, the higher the PMPM value MCOs will receive from the State

VBP Transformation Overall Goals

Goal of VBP reform within the NYS Medicaid system:

To improve population and individual health outcomes by creating a system of sustainable delivery of integrated through care coordination and rewarding of high value care delivery.

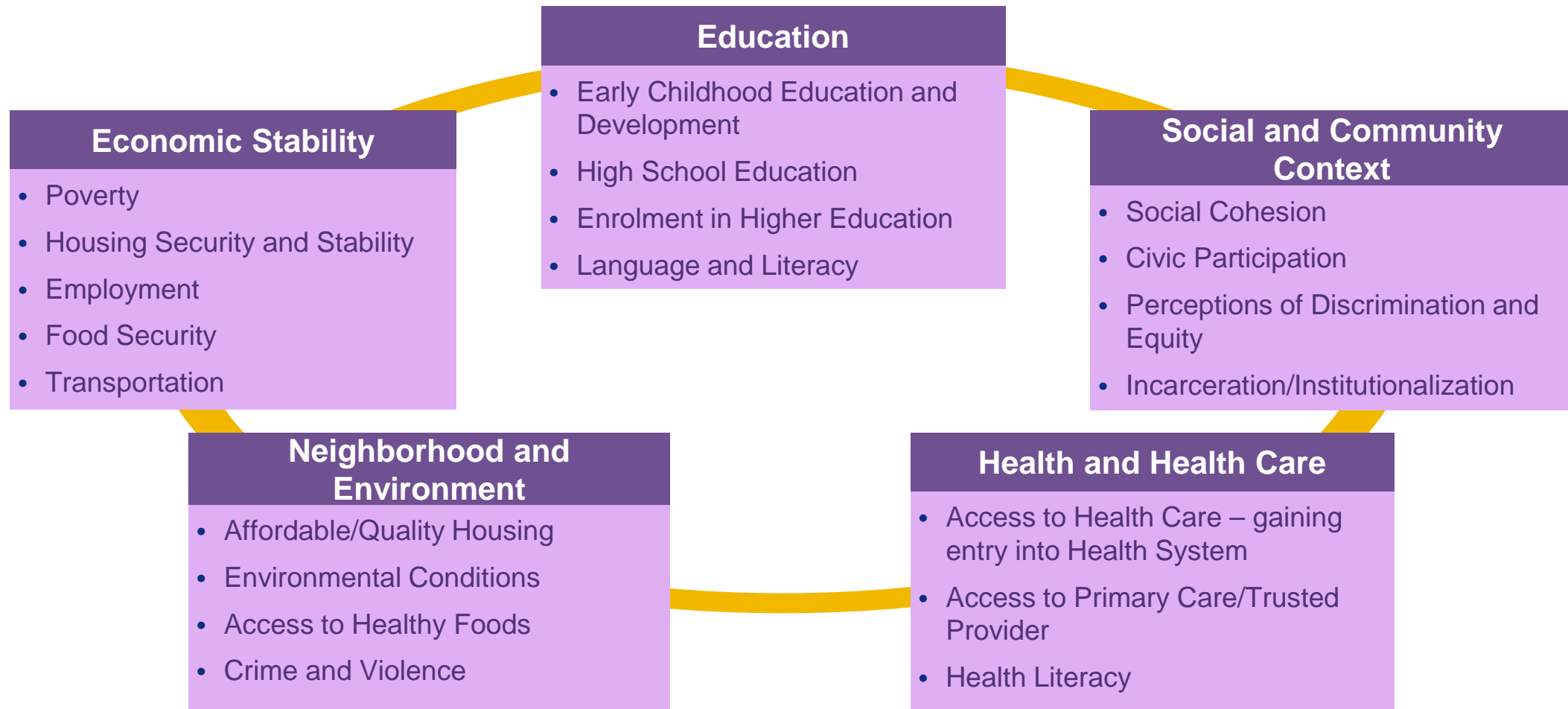


By end of 5-year DSRIP plan, the State aims to have:

- 1) 80-90% of total MCO-PPS/provider payments (in terms of total dollars) as value based payments
- 2) $\geq 25\%$ of total managed care payments tied to VBP arrangements at Level 2 or higher in order to optimize the incentives and allow providers to maximize their shared savings

5 Key Areas of Social Determinants of Health

Key Social Determinants of Health



Source: “Healthy People 2020 Social Determinants of Health” *HealthyPeople.gov*. U.S. Department of Health and Human Services, 27 Jul. 2015.

Neighborhood and Environment

Challenge(s)	Project Targeting SDH	Actions	Results
Crime and Violence, Environmental Conditions	Philadelphia LandCare Program (PLP)	Cleans up trash and plants trees and grass in vacant lots to reduce crime prone to those abandoned areas in neighborhoods	Significant reduction in gun assaults, residents reported having less stress and getting more exercise
Affordable Housing	NYS MRT Supportive Housing Program	Uses MRT funding to provide supportive housing coupled with case management and community services in New York State	Constructed 100% affordable 176 unit residence for chronically disabled, high-cost Medicaid members (East 99 Street LLC)

Sources: "Healthy People 2020 Spotlight on Health: Social Determinants of Health" *HealthyPeople.gov*. U.S. Department of Health and Human Services, 24 Apr. 2013. Web. 9 July 2015.

"New York State Medicaid Redesign Team Supportive Housing Program" *Department of Health Information for a Healthy New York*. Department of Health, Web. 29 July 2015.



Health and Health Care

Challenge(s)	Project Targeting SDH	Actions	Results
Limited access to health care services	Delta Rural Access Program (DRAP) implemented National Diabetes Education Program (NDEP) Power to Prevent curriculum	Provides diabetes prevention program and other preventative services in local schools, churches, community facilities, etc.	At-risk patients prevent or manage their diabetes, improving overall health of the community
Low or no access to primary care/ trusted advisor. Emergency rooms overwhelmed	South Side Healthcare Collaborative (SSHC)	Created network of 30+ community-based health centers and 5 local hospitals. Educate patients, prevent emergencies	Thousands have been educated on proper ED use and importance of regular visits with PCP

Source: "Healthy People 2020 Spotlight on Health: Social Determinants of Health" *HealthyPeople.gov*. U.S. Department of Health and Human Services, 24 Apr. 2013. Web. 9 July 2015.



Economic Stability

Challenge(s)	Project Targeting SDH	Actions	Results
Persons living with HIV/AIDS job attainment and sustained employment	NY Office of Temporary and Disability Assistance (OTDA) HIV/AIDS Employment Initiative Services	Pay for performance job training grants for HIV/AIDS individuals which provide intensive job placement services and case management	In progress
Food Security, Obesity in adults and youth	Communities Putting Prevention to Work (CPPW)	Opened 10 farmers' markets in low-income, high-need neighborhoods. Offer <i>Philly Food Bucks</i> and <i>Campaign for Healthier Schools</i>	160 schools developed health improvement plans to change their food and physical activity environments

Sources: "HIV/AIDS Employment Initiative" *Office of Temporary and Disability Assistance*. New York State Office of Temporary and Disability Assistance, Center for Employment and Economic Supports, 8 May 2013. Web. 29 July 2015.

"Healthy People 2020 Spotlight on Health: Social Determinants of Health" *HealthyPeople.gov*. U.S. Department of Health and Human Services, 24 Apr. 2013. Web. 9 July 2015.



Education

Challenge(s)	Project Targeting SDH	Actions	Results
Improve Early Childhood Education and Development	From Neurons to King County Neighborhoods	Conducted an assessment on Kindergarten readiness across three school districts	Data from assessment has been used to identify area needing changes through community engagement, and funding

Source: "Healthy People 2020 Spotlight on Health: Social Determinants of Health" *HealthyPeople.gov*. U.S. Department of Health and Human Services, 24 Apr. 2013. Web. 9 July 2015.

Social and Community Context

Challenge(s)	Project Targeting SDH	Actions	Results
Perceptions of Discrimination and Equity, Racial Disparities	Boston Public Health Commission's (BPHC) Efforts to Undo Racism	Promotes non-racist work environment, builds partnerships with community leaders, focus activities to eliminate racial disparities in health	Program has reached thousands of people in Boston, and a city-wide blueprint showing health disparities created

Source: "Healthy People 2020 Spotlight on Health: Social Determinants of Health" *HealthyPeople.gov*. U.S. Department of Health and Human Services, 24 Apr. 2013. Web. 9 July 2015.

Roadmap Questions

Roadmap Questions

What methods for measuring SDH Categories?

What are the recommended outcomes for each SDH category?

What methods can be used to capture savings across public spending?

How do we measure providers' performance related to impacting SDH

Going forward...

How will the State incentivize providers to invest VBP savings in Social Determinants?

How do we prioritize which Social Determinant to focus on first?

How do we address housing determinants and develop an action plan?

What changes would improve outcomes and lower cost of care?

What Are The Key Issues The Group Will Focus On?

Subcommittee Co-chairs

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